

**MINUTES OF THE
SENATE COMMITTEE ON COMMERCE, LABOR AND ENERGY**

**Seventy-Eighth Session
March 4, 2015**

The Senate Committee on Commerce, Labor and Energy was called to order by Chair James A. Settelmeyer at 8:39 a.m. on Wednesday, March 4, 2015, in Room 2135 of the Legislative Building, Carson City, Nevada. The meeting was videoconferenced to Room 4412 of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. [Exhibit A](#) is the Agenda. [Exhibit B](#) is the Attendance Roster. All exhibits are available and on file in the Research Library of the Legislative Counsel Bureau.

COMMITTEE MEMBERS PRESENT:

Senator James A. Settelmeyer, Chair
Senator Patricia Farley, Vice Chair
Senator Joe P. Hardy
Senator Becky Harris
Senator Mark A. Manendo
Senator Kelvin Atkinson
Senator Pat Spearman

STAFF MEMBERS PRESENT:

Marji Paslov Thomas, Policy Analyst
Dan Yu, Counsel
Patricia Devereux, Committee Secretary

OTHERS PRESENT:

Carole Vilardo, President, Nevada Taxpayers Association
John Madole, Nevada Chapter, The Associated General Contractors of America, Inc.
Jim Miller, Vice President, Core Construction
Michael Cate, Silver State Masonry
Warren Hardy, Associated Builders & Contractors of Nevada, Inc.; Nevada Restaurant Association
Jim Rees, Co-Owner, Hash House a go go Restaurants
Laura Coger, Program Manager, Consumer Direct Personal Care
Paul J. Moradkhan, Las Vegas Metro Chamber of Commerce

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Tray Abney, The Chamber
Kelly Martinez, City of Las Vegas
Frank Lepori, Lepori Construction
Eugene Hoover, President, Silver State Couriers, Inc.
Lea Tauchen, Retail Association of Nevada
Ray Bacon, Nevada Manufacturers Association
Randi Thompson, State Director, National Federation of Independent Business
Danny L. Thompson, Executive Secretary-Treasurer, Nevada State AFL-CIO
Jack Mallory, Southern Nevada Building and Construction Trades Council
Kevin Ranft, AFSCME Local 4041
Modesto Gaxiola
Richard Daly, Laborers International Union of North America Local 169
Randy Soltero, International Alliance of Theatrical Stage Employees Local 720
Yvanna D. Cancela, Culinary Workers Union Local 226
Stacey Shinn, Progressive Leadership Alliance of Nevada
Greg Esposito, United Association of Plumbers and Pipefitters, Locals 350 and 525
John Sasser, Washoe Legal Services; Legal Aid Center of Southern Nevada
Ron Dreher, Peace Officers Research Association of Nevada; Combined Law Enforcement Associations of Nevada; Washoe School Principals' Association
Michael Giurlani, President, Nevada State Law Enforcement Officers' Association
Patrick Sanderson, Laborers' International Union Local 872
Bob Ostrovsky, Nevada Resort Association

Senator Farley:

We will open the hearing on Senate Bill (S.B. 193).

SENATE BILL 193: Revises provisions governing compensation for overtime.
(BDR 53-989)

Senator James A. Settelmeyer (Senatorial District No. 17):

Senate Bill 193 deals with the 8-hour workday. Nevada is one of just a few states with a rule that after being paid for working 8 hours, workers automatically earn overtime pay for additional time at work. In 2014, cases were adjudicated concerning the "7-minute grace period," under which workers had 7 minutes grace time before and after starting their shifts. As I recall, one ruling was that 7 minutes were too long, and while 3 minutes might be

acceptable, state legislators must decide the issue. In my discussions with entities and individuals, the question became, "Why don't we just look at the 8-hour workday in its entirety?"

Only Alaska, California and Nevada have 8-hour workdays. Nevada also has had discussions about a 24-hour reset of hours. Employees to whom I have spoken want to be able to move their shift time to accommodate their children's sports activities. However, the 24-hour reset provision precluded that, and their employers did not want to pay them overtime.

Nevada Revised Statute (NRS) 608.250 identifies professions that are exempt from the rule: casual babysitters, domestic service employees residing in employers' homes, outside sales workers earning commissions, employees engaged in agricultural pursuits, taxicab and limousine drivers, and people with severe disabilities. NRS 608.018 lists professions exempt from the overtime law. Our idea was S.B. 193 would be a way to solve questions about grace periods and whether the State should institute a guaranteed 10- or 12-hour workday. The 8-hour day creates problems for workers and employers.

Senator Atkinson:

Could you explain the 7-minute rule?

Senator Settlemeyer:

What occurred with this particular entity was it had a 7-minute grace period before employees were considered late when they started and 7 minutes before they would be paid overtime. The court ruled that the entity should have paid overtime, suggesting that a 3-minute grace period would suffice. It recommended that state legislators should weigh in on the matter. The entity in the case has now gone to a policy that if employees check in late twice, they are terminated because the company cannot afford the overtime. I disagree with firing people for checking in late.

Carole Vilardo (President, Nevada Taxpayers Association):

The Nevada Taxpayers Association (the Association) supports S.B. 193. In 2010, the State unemployment rate was in double digits. In the December 2010 edition of the Association's newsletter, "Tax Topics," we surveyed our members and asked them what they would need to hire more workers. We asked what State and local legal impediments were hampering hiring. We formulated eight general recommendations from about 121 of our

members. The third-most cited recommendation was to eliminate Nevada's 24-hour overtime rule, in favor of the federal 40-hour overtime rule.

Nevada is one of only seven states that do not follow the federal overtime rule. It stipulates that overtime is not paid unless employees work more than 40 hours in a week. In Nevada, pay is based on the rolling 24-hour workday. An Association member in Elko told us that a convenience store owner had called him about problems with the 24-hour rule. The store had about five employees. If bad weather prohibited one or two of them from coming in, it became problematic for the owner financially, due to the 24-hour rule. If employees were called back in to cover for the missing workers, they would be subject to the rule.

I spoke to five employers about the problem, and the 24-hour rule's additional costs were the issue. One business did not even know about the rule. An audit by the Office of Labor Commissioner determined the business had violated the rule, and the owner was fined. Since the 2010 survey, members report there has been no change in their attitude toward the 24-hour rule: that it negatively affects their ability to manage employees and costs.

Senator Atkinson:

Can you give us more examples of employers who would like to see S.B. 193 implemented? Nevada likes to brag that it is unique, with unique challenges. Las Vegas is unique as a 24-hour city and with unique employees who enjoy working here. If we are going to tie that uniqueness to this Committee's decisions, we need to be honest about what we are trying to accomplish.

Ms. Vilardo:

I also heard frequently from restaurant owners, franchise or independent ones. Two Clark County restaurateurs answered the Association's hiring survey. Let us say my restaurant does banquets in addition to regular meal service. A dinner crew finishes at 11 p.m. My banquet room is rented out for an Association breakfast meeting. Because of the 24-hour rule, I cannot use a dinner crewmember for breakfast without paying overtime. When employees finish at 11 p.m., and the Association breakfast starts at 7 a.m.—for which they must start at 6:30 a.m.—they are in an overtime situation.

I do not know when the rolling 24-hour rule went into effect. When I owned a business in 1971, I paid overtime based on federal law. If I was violating State

law, the saving grace was I was never audited. Nevada is unique in many ways, including our tax structure, tax abatements and driving laws. Is being unique always a good thing? In this instance, when it impacts the ability to hire people who want to work and earn money, our uniqueness starts to be problematic.

Senator Atkinson:

I am hearing anecdotes, but no facts. I have never had employers tell me the 24-hour rule is a problem. We are talking about a few isolated, small employers, but Nevada has some huge employers, from whom I also have not heard. Are you saying if an employee has worked 8 hours that you want to call them back within the next 8 hours, or not let them go after working 8 hours?

Senator Settelmeyer:

My northern Nevada constituents who work at slot-type casinos that do not serve food have contacted me. They work at two casinos and encountered Affordable Care Act (ACA) provisions that require they receive medical benefits if they work more than 30 hours a week. They were cut back to less than 30 hours a week because the employer did not want to provide benefits, so they found a second job. They would have had to work shifts of 8, 8, 8 and 6 hours to get 30 hours per week and benefits at one casino, then work 8, 8, 8 and 6 hours at the second casino. They would prefer to work three 10-hour days at each casino, for a 60-hour workweek. The employers do not want to pay overtime because many slot-type casinos struggle to make a profit.

Some restaurant servers want their 8-hour schedules to include the dinner shift because they make a lot of tips. If there is a banquet the next morning, they would like to work a few more hours. However, due to the 24-hour reset rule, they cannot do so without overtime, which employers are reluctant to pay.

Ms. Vilardo:

The December 2010 "Tax Topics" newsletter's article "Increasing Employment" states that overtime is paid when an:

employee's work period starts the hour of the employee's shift and 'rolls' for 24 hours." "[I]f an employee works a late shift from 6:00 p.m. to 11 p.m. on Monday, and then is scheduled to work an afternoon on Tuesday from noon to 5:00 p.m., the employee

has worked 10 hours in his 24-hour shift entitling the employee to 2 hours of overtime.

This is in contrast to the federal 40-hour workweek, or 8 hours a day.

Senator Farley:

I am an employer. We like flexibility when dealing with employees. I have parents who want to leave work for their children's sports events or to care for sick children then want to make up their lost worktime within 40 hours. I have minimal flexibility to accommodate those needs. If we stop talking about the high cost of paying overtime, it is important to allow workers to conduct their lives with flexibility. When my employees work full shifts and then want to work more, I have to give those hours to someone else to avoid paying overtime. My hands are legally tied to give employees the hours and opportunities they want.

Senator Atkinson:

In Ms. Vilardo's scenario, instead of working 5 hours and 5 hours, could a person work 4 hours and 4 hours and be within their 8 hours?

Ms. Vilardo:

I believe so, if you are talking about hours within the 24-hour period. The reason that the issue raised by Senator Farley and others arose is the 24-hour rule impedes hiring and employee support. Employers lack flexibility to address certain family issues.

Senator Spearman:

We have discussed small businesses in generic terms. Who exactly would benefit from S.B. 193?

Senator Settlemeyer:

The bill will benefit both the employer and employees. It would allow parents to go to their children's ballgames and still receive a full paycheck without the employer saying, "Sorry, I can't give you that because I'd have to pay overtime, and I can't afford that right now." I am unfamiliar with overtime pay because I have never earned it. I have never had a job that paid me under a different schedule after 8 hours.

Senator Spearman:

We have been discussing “Pollyanna” scenarios; we must look at the issue *in toto*. We are not just talking about added flexibility for parents to attend ballgames. The reality is, if S.B. 193 were enacted, employers could work people as long as they wanted without paying overtime. This would disproportionately affect service workers and low- and moderate-income earners.

Senator Settlemeyer:

The reality is, the 40-hour federal rules would still apply. The Committee may decide to make the workday 9 hours or allow more flexibility for employers and employees to live their lives. A constituent told me, “Hey, I’m working here at the casino, and I’m being told I can’t get any more than 8 hours because of these other rules and laws, and it affects me.” When I asked employers if they would hire my constituent for more than 8 hours, they said, “Absolutely—but I can’t pay overtime.”

Senator Spearman:

I am talking about daily wages, not the 40-hour workweek. On February 25, the Committee heard S.B. 165, which would elevate the status of domestic workers.

[SENATE BILL 165](#): Enacts the Domestic Workers’ Bill of Rights. (BDR 53-135)

The negatives of S.B. 193 far outweigh the opportunity to allow a parent to attend a soccer game. Issues like that happen all the time, and workers tend to just work them out with employers. My concern is if someone comes to work at 7 a.m., then is told, “Oh, by the way, So-and-So won’t be able to make their shift, so you’ve got to work a double shift.” This happens more often than not with corrections officers, of whom we do not have enough. My concern is not about the “40 hours” we have tacked on, in terms of the total number of hours per week. I am concerned about daily hours.

Senator Settlemeyer:

In the bill’s section 1, subsection 2, paragraph (e), correctional officers are exempt from the provisions because they are covered by collective bargaining agreements.

Senator Spearman:

That was a bad example. However, workers must cover two shifts because of absenteeism in several professions. What happens to people who work 12 or 14 hours? Eliminating the 24-hour rule removes their protections.

Senator Settlemeyer:

The Committee can discuss these issues.

Ms. Vilardo:

If I am asked to work a double shift, under the 40-hour, 8-hour-day rule or under the 24-hour rule, I will get overtime. That does not negate the overtime pay required for a double shift.

Senator Spearman:

Let us say you are supposed to be paid for 40 hours, but you do a double shift on Monday then are off Tuesday and come back to work Wednesday or Thursday. When we start looking at eliminating overtime, it disproportionately hurts those who work not for a hobby, but for a living. I have a lot of respect for entrepreneurs who risk their own capital and follow their dreams of developing small businesses. We need to look at the bill in its entirety. If we eliminate the 24-hour rule, what happens to the worker in the above scenario, particularly if they use childcare? It is all right to discuss this with Pollyanna rose-colored glasses and talk about how the bill will benefit people who want to go to their children's soccer games. However, we need to look at how it would negatively and disproportionately affect low- and moderate-income people, particularly women.

Ms. Vilardo:

If the Committee is uncomfortable with the 40-hour workweek because of the example you just gave, it can look at the 8-hour workday. I share your concern that the Committee's decision needs to accommodate as many people as possible and that both workers and employers need protection. The Association does not have a problem with the 8-hour overtime rule within a 40-hour workweek. The problem is the lack of flexibility and not being able to plan for emergencies. The rolling 24-hour rule strips away flexibility.

Senator Manendo:

The State's correctional officers are not under collective bargaining agreements. I am concerned about people who are mandated to work 10-, 12- even 14-hour

days and handle hazardous materials or natural disasters. They are put at risk because they are fatigued. If you are feeling unwell but have to work 14 hours, you might fall down the stairs. Things happen. If we make the bill the rule of thumb, employers might push employees toward longer workdays.

I worked in the automotive repair industry, and its equipment and machinery is very dangerous. I know how tired workers are at 5 p.m., let alone at 9 p.m. The bill could take us down a slippery slope of worker injuries, and that would have a whole other issue. I understand the incentive of flexibility, but I am concerned about fatigued workers becoming injured and unhealthy.

Senator Settlemeyer:

The Committee can figure out a solution. Do we get rid of the 24-hour reset, look at a 9-hour workday or rework the 7-minute grace period? Can we allow flexibility for both employers and employees?

Senate Bill 193's section 1, subsection 2, paragraph (m) exempts "Any salesperson or mechanic primarily engaged in selling or servicing automobiles, trucks or farm equipment" from the 8-hour-day rule.

Senator Farley:

Employers absorb the risk of overworking employees. They know it causes productivity to drop and increases the likelihood of accidents. Employers are on the hook legally when they overwork people in dangerous situations. That is not the norm.

Senator Atkinson:

Clark County's non-salaried employees have a 7-minute grace period at either end of their shifts. If an employee is scheduled to work 8 hours Monday, and the employers asks them mid-shift to work an additional 5 hours, would they get straight time for 13 hours because they have not yet worked 40 hours?

Senator Settlemeyer:

Clark County pays an average of 1 1/2 times the State minimum wage, so its workers are exempt from the 7-minute grace period.

Senator Atkinson:

Not all of the County's employees are paid that much.

Senator Settlemeyer:

I believe the majority of them are. You are correct that the worker in your example would get 13 hours of straight pay. They could choose to work more than 8 hours and not get overtime until they hit 40 hours.

Senator Atkinson:

That is why the Committee has a huge problem with the bill. When my daughter was in daycare, when children were there for 9 hours, parents were penalized with a time-and-half cost per hour. My company paid me straight time to rush to get my daughter before then. In the above scenario, the hypothetical person working 13 hours would lose money by working 5 extra hours at straight time. That makes no sense.

Senator Settlemeyer:

The Committee can look at 9- or 10-hour workdays and abolish the 24-hour rule.

Senator Atkinson:

I am not sure that entities do not already have variable shifts. Clark County has 8-, 9-, 10- and 12-hour employees. I used to be a 9-hour County employee. No entity is precluded from having shifts of more than 8 hours. Anything beyond workers' specified hours is paid as overtime. We should not strip that right from them.

Senator Settlemeyer:

This discussion of Clark County employees is moot because they are under collective bargaining agreements and outside of the 8-hour-day law.

Senator Atkinson:

Yes; however, by the time their current contract ends, the bill could be in effect.

Senator Settlemeyer:

Most collective bargaining agreements have evergreen clauses that ensure the contract provisions continue until a new one is negotiated.

John Madole (Nevada Chapter, The Associated General Contractors of America, Inc.):

The Associated General Contractors of America, Inc., is particularly affected by section 3 of S.B. 193, which relates to public works construction. We have Reno-based members who might get projects that are 200 or 300 miles away. Many years ago, in an effort to be innovative, one of our contractors bid a job in Tonopah. Not wanting to make it tough on his 35 workers for being that far from home, he bought a DC-3 airplane to transport them from Reno. He flew half of the crew down Monday morning to work 4 hours that afternoon. The second half of the crew was flown down to work 9 hours for four consecutive days, plus 4 hours on Friday. The contractor kept his employees at home more, and 35 fatigued people were kept safe from driving Friday or Sunday night. Senate Bill 193 will allow that kind of flexibility, so we support it.

Jim Miller (Vice President, Core Construction):

I am a member of the Association, and I would like to reinforce Mr. Madole's comments. We support S.B. 193.

Michael Cate (Silver State Masonry):

I am a Nevada native who has contracted here for more than 30 years. I specialize in commercial and public works projects. As an open-shop contractor, I welcome a change in a statute that is equally hard on employees as it is on employers. For 6 months, my crew of 18 Reno-area men has worked on a project in Battle Mountain. Current NRS makes it impossible for me to give them the time off I would like them to have to spend more time with their families. As an open-shop contractor, if I wanted to offer shifts of four 10-hour days, as do many signatory contractors, I would have a problem.

The masonry trade is very weather-dependent. Rain, snow, extreme cold or heat and high winds prevent us from working. If I signed up with the Labor Commissioner for four 10-hour days, and we worked three 10-hour days then on the next day worked 3 hours then were rained out, I would have to pay the entire crew overtime for 2 hours on each of the previous days. If we worked the fifth day to make up lost time, the entire day would be overtime because of something over which we have no control: Mother Nature. Again, the rule does not apply to signatory contractors. The same problem applies to 8 hours if my crews want to make up lost time due to weather or other unforeseen factors. Overtime pay for hours worked beyond 40 in a week is good policy and

matches federal guidelines. Masonry is an extremely physical trade, and once a worker exceeds 8 hours, his productivity plummets.

Warren Hardy (Associated Builders & Contractors of Nevada, Inc.; Nevada Restaurant Association):

The Associated Builders & Contractors of Nevada, Inc., supports S.B. 193. The Restaurant Association represents about 5,200 food establishments with more than 135,000 employees. The NRS in the bill disproportionately impacts the restaurant industry. Restaurants operate on a miniscule profit margin, and it is critical that managers do not have cost overruns. In most cases, the employees want to work overtime for the tips. My daughter worked as a server. She banked her paycheck and lived on her tips—her lifeblood.

It is also difficult to manage restaurant customer volume. If someone is nearing the end of their shift on a busy night and wants to stay for the tips, management is prohibited from allowing that. The Restaurant Association would agree to a provision that said we could pay overtime if the employee requests to stay.

Jim Rees (Co-Owner, Hash House a go go Restaurants):

Hash House a go go has restaurants in Las Vegas and Reno. Overtime laws dramatically impact our industry. I have been a restaurateur for more than 50 years in almost every state. I have operated in southern Nevada for almost 11 years and have almost 600 workers.

It is hard to describe how difficult it is to operate under the 24-hour rule. The restaurant business is free-flowing and unpredictable. We hire people who want to work hard, make money, then go home. What complicates the issue for me and my colleagues is that our operation is for breakfast, lunch and dinner. Almost on a daily basis, our restaurant gets busy at 8:30 or 9 a.m. until 2 or 3 p.m. It will settle down then ramp up for dinner, ending at about 10 p.m. If the next day is Saturday, we are very busy; by 8 a.m., we need every employee. An employee who had only worked Friday afternoon and made good tips wants to come back in the morning. Even though we need them, because we cannot use so much staff on day-after-day shifts, they cannot come back at 7:30 or 8 a.m. to work the opening shift without incurring overtime. The shifts are not within the same day; they are within the same 24 hours. That is what cripples our industry.

Unlike other states, Nevada's restaurant industry does not have a point-of-sales timekeeping system to compute the 24-hour rule's requirements. We have to manually compute employees' hours in shifts within 24 hours. This is very difficult from an administrative standpoint. Employees want to work busy shifts when they can work. We do not have people working all night—there are few customers then. They want to work a full shift, sleep 8 to 10 hours, then work a full shift the next day. Often, that cannot happen because, with such a slim profit margin, employers lack the flexibility to pay overtime. This issue, combined with having to pay for ACA-mandated health benefits after 30 hours, forces restaurateurs to hire more workers, which costs us and the existing staff, who cannot get the hours they need. If the intent in NRS was to protect employees, I can guarantee the opposite is true in our industry.

Laura Coger (Program Manager, Consumer Direct Personal Care):

I am on the board of the Personal Care Association of Nevada. The 8-hour overtime rule is problematic for my industry because caregivers cannot predict when they must stay late if a client has a problem. Many of us are Medicaid providers whose reimbursement rate cannot accommodate overtime expenses. If the overtime rule was changed, many of our single-parent caregivers who have relatives who can care for their children on Monday, Tuesday and Wednesday could work more than 12 hours.

Paul J. Moradkhan (Las Vegas Metro Chamber of Commerce):

The Las Vegas Metro Chamber of Commerce (the Chamber) believes S.B. 193 will provide increased flexibility for employers in accommodating employees' scheduling requests and increased cost savings. Small businesses, with less than 25 employees, comprise 87 percent of the Chamber's members. We have heard from restaurants, the health care sector, and information technology (IT) and software businesses. As Las Vegas increases its focus on attracting IT and software developers, flexibility is needed. This is especially true for young entrepreneurs' and start-ups' efforts to collaborate and grow.

Tray Abney (The Chamber):

The Chamber, Reno-Sparks-Northern Nevada has 1,800 members. The State needs to join 43 other states in matching the federal daily overtime law. Many professions are exempt from that law. Three or four years ago, the Chamber had an event at a gaming property. The banquet workers approached me and said Legislators need to change the 24-hour rule. They said, "I can't work the hours I want to, I can't make the money I want to because of current

law.” They want to work an evening shift then come back for breakfast. Elimination of the law will help employees.

Kelly Martinez (City of Las Vegas):

The City of Las Vegas supports S.B. 193 because it will provide greater flexibility and potential cost savings for its budget.

Senator Atkinson:

Would you be comfortable with an employee working 8 hours who is asked to work an additional 5 hours at straight pay?

Mr. Moradkhan:

That needs to be determined by a mutual agreement. We would be amenable to straight time as long as the person had worked less than 40 hours. Of course, the Chamber supports overtime after 40 hours.

Senator Spearman:

A good resource for these discussions is the Fair Labor Standards Act online information site, “Salaried Workers and Overtime Pay—What Employees Need to Know,” at <http://www.overtime-flsa.com/salaried-workers-and-overtime-pay-what-employees-need-to-know> .

Several recent academic studies are shedding light on some of these issues. As reported by Carol Atkinson and Laura Hall, women dominate the part-time group, comprising nearly 80 percent of the part-time workforce. It is therefore important to note that part-time work is not gender neutral. Part-time work is often seen as “female work,” and because most organizational cultures are shaped by masculine norms that emphasize dedication to work, a man’s decision to participate in part-time work may be seen as more culturally deviant than a woman’s decision. This is significant. We have been talking a lot in abstracts, but we must look at peer-reviewed studies like these. In another study, it was noted that part-time workers may work unpaid overtime to achieve acceptance from their colleagues. Part-time workers who do this can also be exploited by their employer, expecting overtime in exchange for the part-time work.

Frank Lepori (Lepori Construction):

While I support S.B. 193, it has a flaw. If someone wants to take time off to watch a child’s soccer game or go to the doctor, that usually takes just 2 or

3 hours. There should be a cap on that time. When workers have to travel out of town for a job, it is nice to have pay flexibility. Mutual agreement on hours is key.

Eugene Hoover (President, Silver State Couriers, Inc.):

Senate Bill 193 will benefit both employers and employees. Nevada is the only state with the 24-hour reset rule. This prohibits employees from coming in or going home 2 hours early or late for any reason without being paid overtime. Currently, once an employee's 8 hours is achieved, they must be paid overtime for each additional hour. Employers cannot afford to keep people on the job for more than 8 hours. Employees who cannot work more than 1 or 2 days a week are also hurt by the overtime policy. A change would allow nontraditional college students working full time to continue going to school full time. This would translate into an improved education policy that would benefit everyone.

By allowing employers to keep employees longer than 8 hours without paying overtime before 40 hours a week, small businesses would become more stable. Their success is intertwined with the success of the middle class. This bill will not singlehandedly spur economic growth, but it will help employers and employees collaborate on flexible scheduling.

Lea Tauchen (Retail Association of Nevada):

The Retail Association of Nevada supports S.B. 193. The retail industry faces the same scheduling challenges due to the rolling 24-hour rule as do the other industries from which you have heard.

Ray Bacon (Nevada Manufacturers Association):

Usually, wages are high enough in manufacturing that we do not see the overtime issue. Most software programs to determine payroll do not calculate the 24-hour rule correctly, so payroll must be calculated manually. This becomes an additional cost to bear, so it is easier for employers to just deny overtime pay.

Randi Thompson (State Director, National Federation of Independent Business):

The National Federation of Independent Business represents more than 2,000 small Nevada businesses with an average of 12 or fewer employees. In 2003, 84 percent of our members said the 24-hour rule needs to be changed. One of our members owns the Jimmy John's sandwich shop at the University of Nevada, Reno, which employs many students. They go to class Wednesday

morning, then work that evening. After their Thursday afternoon classes, they want to work that evening shift. However, they cannot because, like all small businesses, Jimmy John's operates on a very small profit margin and cannot pay overtime. Staff told me Jimmy John's denies hours to workers well under the 40-hour threshold because of the 8-hour-day limitation. Senate Bill 193 would allow employees to pick up more hours to better fit their scheduling needs.

Senator Atkinson:

Several employers have told the Committee that their employees want the 24-hour rule repealed. Where are the employees? Who are we talking about, and who would benefit from the bill?

Danny L. Thompson (Executive Secretary-Treasurer, Nevada State AFL-CIO):

If this section of the law is removed, working people more than 8 hours a day will become commonplace. Fatigued employees make mistakes and hurt themselves or others. In 1988, a welder started a fire at the Pacific Engineering and Production Company of Nevada facility that literally blew up the City of Henderson. I am not saying long hours caused that accident. What I am saying is accidents would happen more frequently. Overtime savings will be offset by lowered productivity. Longer worker hours cause more accidents. As this bill stands, the Nevada State AFL-CIO is opposed to it.

Jack Mallory (Southern Nevada Building and Construction Trades Council):

In 1913, Henry Ford established the production line manufacturing method for automobiles. He had 350 percent annual employee turnover and more than 10 percent absenteeism. The industry standard was the 60-hour workweek, and workers made \$2.48 per day. In order to attract better workers, decrease absenteeism and increase productivity, Ford more than doubled workers' pay, established the \$5 day and reduced the workday to 8 hours. Absenteeism dropped to less than 1 percent, and annual turnover dropped to less than 10 percent. Ford's policy change was viewed as the birth of the U.S. middle class because workers could now buy the products he was selling.

The 24-hour rule is problematic from the construction industry's perspective. Construction differs from other industries because we work ourselves out of a job every day. Workers can be on different projects 7 days a week, and the average worker has five employers a year. Particularly for unrepresented employees, the 24-hour rule takes away flexible start times. Some developers

will not allow workers to start until 7 or 8 a.m. because of noise ordinances or other regulations; others want you to start at 5 a.m. Due to the summer heat in Las Vegas, some jobs start at 4 a.m.

I understand the flexibility afforded by the 24-hour rule for start times for a standard workday of five 8-hour days or four 10-hour days. The problem is that not all employers are good. Companies mistreat employees and could take advantage of the situation the bill would create. This could be especially true in the construction industry, in which people work sun-up to sundown in summer then are told, "You've already worked 40 hours. You're done for this week." It is an issue with potential abuse.

The 8-hour day fosters fair competition. With it, minimum time off between shifts needs to be discussed, especially in regard to small employers. With a minimum amount of time off between shifts, there is a reasonable rest period. However, in construction, we have serious concerns about safety and productivity when people work too many hours. We do not want to see people killed because they are working too many hours. Construction injuries are serious, including death.

Kevin Ranft (AFSCME Local 4041):

I will comment solely on State employees. I understand the need to pay State workers overtime after 8-, 10- or 12-hour shifts. The American Federation of County, State & Municipal Employees Local 4041 opposes S.B. 193 because it removes provisions protecting people who work more than 8 hours. State employees occasionally work overtime to serve the greater needs of the State. Some State employees do the job of two or more people. Nevada has one of the lowest numbers of State employees per capita.

Most of the language omitted in S.B. 193 was put in place over the years to allow Nevada Department of Transportation (NDOT) workers, law enforcement, correctional peace officers, mental health workers and nurses to work 10- and 12-hour shifts. Variable work schedules are omitted from this bill. Typically, these employees have signed agreements that they will only be available for overtime after their 10- or 12-hour shifts.

Overtime hours may be mandatory in these fields. In the Department of Public Safety, personnel at an accident scene or removing snow may be required to work beyond their shifts. In the Department of Corrections, peace officers are

forced to work mandatory overtime. It is wrong to remove provisions without taking into consideration why they were initially adopted. In the 70th Legislative Session, an Assembly bill that changed overtime provisions for State employees passed both Houses unanimously. Senate Bill 193 guts long-standing provisions without proper discussion. None of the provisions affecting firefighters were removed, just those involving peace officers, mental health workers, nurses and NDOT personnel—who are commonly called out for snow removal and to accidents to help with traffic control. I will close with this statement:

Nevada is not the federal government. It is nice to see laws in the books for Nevadans, that Nevadans put there, like the language that is being challenged today. The overtime language was a privilege passed in 1903 to give respect to our employees to meet the needs of our great State. I ask today that you vote no on S.B. 193, as written.

We are happy to sit down with the bill's author and be a part of the discussion and try to get the omitted language put back in.

Senator Farley:

In the construction industry in particular, I agree that working longer hours increases the accident rate and decreases productivity. Good employers recognize that and will not do business with other known bad contractors. There are grounds for discussion about the suitable length of a workday, regardless of industry or profession. However, the Committee must look closely at whom the bill might hurt because employers will lose the flexibility of the 24-hour rule. We must also look at what is a reasonable time between the end of one shift and the start of the next, versus allowing workers to work enough shifts to earn a decent living.

Senator Atkinson:

Testifiers from the unions talked about the fatigue problem. A NDOT worker drove a truck for 8 hours on December 31. He wanted to work a double shift, came back after a 2-hour break for another 8 hours and had an accident. He said, "I made a bad decision. Had I had enough sleep, I would not have made that same decision." Even if an agreement exists between an employer and employee, that is what happens with worker fatigue. This is a slippery slope. The damage to the aforementioned truck cost the State a lot more than the overtime pay for its driver.

Mr. Thompson:

For about 15 years, I served on the Insurance Regulation Advisory Board of the Division of Industrial Relations in the Department of Business and Industry. That Board receives reports from the Occupational Safety and Health Administration, the Mine Safety and Health Administration and the Safety Consultation and Training Section of the Division of Industrial Relations, which the State uses to monitor its employers. The Board does write-offs of bad debt after an employer lacking workers' compensation insurance has a workplace accident. The uninsured fund has to absorb those costs. The Board also collects fines from employers that go out of business.

The Board finds out about every accident in grueling detail. Many catastrophic accidents were fatal and resulted in severe property damage. They happen more often than you can imagine. Fatigue is a continual factor in accidents. If an employer decides that the cost of doing business is to force people to work 16 hours, and that decision affects the safety of the entire workforce, that needs to be examined.

Senator Settelmeyer:

I agree that worker fatigue is a serious issue. However, in S.B. 193 section 1, subsection 2, paragraph (f), "Drivers, drivers' helpers, loaders and mechanics for motor carriers subject to the Motor Carriers Act of 1935" are exempt.

Mr. Thompson:

For many years, the foremost cause of death for females on the job in Nevada has been gunshot. They are shot during convenience store robberies or by a family member who comes to the workplace.

Senator Hardy:

The federal government keeps statistics on workplace injuries and overtime paid. Have studies been done in these areas comparing Nevada to the Nation? Have State employees been surveyed? I come from a culture in which resident physicians are not allowed to work more than 80 hours a week averaged over a month. Eighty hours a week in an intense medical situation is analogous to some of the examples from other industries we have heard today. There is a huge difference between 40 hours a week and 80 hours a week and between 10 hours a day and coming in at 7:30 a.m., then going home the next day at 6 or 7 p.m. I suspect that State overtime statistics are similar to those in states under the federal overtime rule.

Mr. Mallory:

The problem is when states are compared to each other. If we compared Nevada with Kansas, in Kansas there is a higher concentration of agricultural accidents and lower construction accidents than in Nevada. National averages can be used as comparison tools.

Senator Manendo:

Coworkers and the general public can be affected if just one worker is fatigued. The scope of the problem is huge; it is not just one individual's life that can be changed.

Senator Spearman:

Google Scholar lists many studies on worker fatigue. The studies have been conducted within 2 or 3 years and are peer-reviewed. They are acknowledged as quantitative or qualitative studies that prove a point. One study looked at worker fatigue among 4,800 nurses. The conclusion was the longer a nurse worked beyond 8 hours, the more their job performance dropped. If more than 12 hours are worked, patient safety is jeopardized. People who drive while drowsy are as great a hazard as are those driving under the influence. There are some bad actor employers. I am concerned about whether part-time workers, who are most likely female, are protected by the bill.

Mr. Ranft:

I would like to see the personnel department of the Division of Human Resource Management, Department of Administration survey State employees about overtime. There is concern about flextime. A *Nevada Administrative Code* provision dealing with flextime allowed supervisors and employees to come to an agreement over it. However, that agreement was never codified, so flextime was removed from law. Flextime is a nightmare for managers to deal with.

Modesto Gaxiola:

I am a second-generation roofer. Roofing is among the top five most dangerous jobs, surpassed only by logging, airline pilots and commercial fishermen. After more than 20 years of roofing, I can say the danger factor is multiplied without proper rest. I urge the proponents of S.B. 193 to walk in my shoes for 30 days. They will get a new perspective on the effect of rest in the construction trades, especially roofing. In my early roofing years, I worked a 16-hour shift, which nearly killed me. After 16 hours, you cannot think, are fatigued and acting

improperly. Is that what the bill's drafters are looking for? Is that what employers are looking for? I think not.

Senator Atkinson:

Are you an employee or an employer?

Mr. Gaxiola:

I am an employee.

Richard Daly (Laborers International Union of North America Local 169):

The Laborers International Union of North America Local 169 opposes S.B. 193. I have had personal experience with the four 10-hour days rule and the Labor Commissioner's interpretation thereof. The problems can be fixed. I worked four 9-hour shifts on the North Valmy power station. We were under a collective bargaining agreement and had to get permission to work 9-hour shifts. I understand the 24-hour rule, and Mr. Mallory addressed minimum time off between shifts. The problem is bad actor employers and the lowest common denominator. If a mutual agreement is in place and one signatory violates it, no retribution or adverse action will result. Depending on the employer, workers could be told, "Everyone that doesn't volunteer tomorrow, don't come back on Monday."

What is missing from S.B. 193 is that all NRS overtime rules were established to help right a wrong, stop exploitation and ensure that people are treated fairly. The bill would roll all of that back without proper consideration. If we are to find solutions, safeguards must be put in place; if we cannot do that, do not take away people's ability to go home to their families at a decent hour. The 8-hour workday has been a U.S. standard for a long time.

Randy Soltero (International Alliance of Theatrical Stage Employees Local 720):

Nevada has unique industries. The International Alliance of Theatrical Stage Employees represents people who work in the convention industry. They are not scheduled to work every day for a 40-hour workweek throughout the year. Our members are moderate-income earners. They may work 2 or 3 days loading in a show at the Las Vegas Convention Center or a hotel then may be off for 5 to 10 days until working on the next show. Because they can earn overtime after 8 hours, even though they only work two or three days, they can afford housing and to support their families. This is not a union versus nonunion issue; it affects everyone in the convention industry.

Yvanna D. Cancela (Culinary Workers Union Local 226):

The Culinary Workers Union Local 226 represents more than 55,000 hospitality workers in Las Vegas. The workers under discussion make \$12.38 or less per hour if they do not receive medical benefits or \$10.88 if they do. The NRS already protects people who work four 10-hour shifts. The bill would not directly affect us because we are under a collective bargaining agreement. However, we interact constantly with hospitality workers in nonunion shops.

The Culinary Workers Union Local 226 opposes S.B. 193 because it incentivizes employers to have people work more than 8 hours without receiving overtime. The bill could also functionally eliminate the 40-hour workweek because employers are not prevented from having people work more than 8 hours for a total of 38 hours, never achieving 40 hours. That is problematic for low- to middle-income workers.

We are not talking about workers seeking flexibility, rather those seeking regular schedules so they can spend more time with and provide for their families. Flexibility has often been mentioned today. When we hear that word at the bargaining table, it means flexibility for the employers, not employees. Employees often bear the brunt of that through wage cuts. Senate Bill 193 creates a pay cut for low-wage hourly workers.

Restaurants often get so busy that workers must be called back. What has not been mentioned is that when that happens, money is flowing. Overtime ensures that workers get a piece of that profit; otherwise, servers, cooks, bussers and hosts are there 12, 13 or 14 hours and never receive a piece of the booming restaurants' pies. Overtime creates shared prosperity for workers.

Chair Settlemeyer:

Are you only talking about people who work four 10-hour shifts? Would you be more amenable to shifts of three 10-hour days so people can make their 30 hours? Are your members allowed to work three 10-hour shifts?

Ms. Cancela:

Yes, they are allowed to work three 10-hours shifts, with employers having to pay overtime for the extra 6 hours.

Chair Settlemeyer:

Is overtime paid for four 10-hour shifts?

Ms. Cancela:

Yes, overtime is paid in accordance with NRS.

Senator Hardy:

Florida hosts as many conventions as Nevada. How do we stack up against it?

Mr. Soltero:

I do not know, but I will find out.

Mr. Daly:

No matter which state is under discussion, the 8-hour day and 40-hour workweek are standard throughout the Nation, whether or not overtime is paid after 8 hours. There are exceptions according to the industry.

Senator Farley:

Nevada is one of three states with the 8-hour, 24-hour rule. Are the unintended consequences we have heard about happening in the 47 other states? Is the accident rate higher in states with the slave labor, fatigued-worker scenario we have heard about? Can you get us some statistics so the Committee does not make the same mistake?

Mr. Daly:

The 24-hour rolling day has been reinterpreted in the State after a lawsuit. I do not know if our experience can be applied across the Country. The four-day 10-hour shift has been interpreted by the Labor Commissioner. Overtime is paid after 8 hours solely to those who make less than 1 1/2 times the minimum wage and to construction workers.

Chair Settlemeyer:

Alaska, California and Nevada are the only states with an 8-hour day, and Nevada is the only one with the 24-hour reset, as per NRS 284.180.

Mr. Daly:

You are right. The 24-hour reset should be looked at. Contractors have called me after a driver who has worked a regular 8-hour shift says he must come back because cement mixer trucks can only come out at 2 a.m., which is within the driver's 24 hours. Under collective bargaining agreements, we can work that out if it is necessary for completion of the job. It would be a one-time situation, and the driver would get the next 1 1/2 days off. Without safeguards against

the lowest common denominator, exploitive employers will say, "Guess what: you get to work an extra 5 hours today, and I don't care what your plans were. I need you," with no extra compensation.

Ms. Cancela:

Nevada is also one of the only states where food service workers are paid well enough to provide for their families. In most U.S. cities and states, such jobs are temporary, part-time, low-wage jobs, and people have to work three or four of them to equal just one job in Nevada. That is an example of what has made our State a good place to work, and it would be a shame to lose that.

Stacey Shinn (Progressive Leadership Alliance of Nevada):

Nevada needs unique worker protections for its unique economy, which is why we have the 24-hour rule. It protects employees from bad employers, and, as Senator Spearman pointed out, disproportionately affects women. The Progressive Leadership Alliance of Nevada sees the rule as a rollback of low-wage earners' protections and yet another way to protect the pocketbooks of big business.

Greg Esposito (United Association of Plumbers and Pipefitters, Locals 350 and 525):

Ms. Vilardo said S.B. 193 would put more people back to work. That is counterintuitive to other testimony heard today, especially from Mr. Rees. He said he supports the bill because he can give employees more flexible schedules with fewer workers. The restaurant industry likes the bill because employers can move employees' hours around without having to hire more people. There is a discrepancy in what the bill is trying to accomplish. Yes, some industries may need more flexibility, but there could be unintended consequences. Laws like this are intended to create balance, but S.B. 193 could have unintended consequences for the construction industry and large employers.

Since I was 17, I have punched time clocks for construction jobs and as a pot washer, for which I could earn overtime. In construction, I saw a lot of overtime violations because contractors squeeze as much as possible out of workers. When you roll out in the morning with all of your tools from the job box to the job site then back to the box, productivity is slashed by about a half hour or 45 minutes, which is the time it takes to set up and break down. Contractors will tell workers, "Hey, stay for an extra couple hours because you didn't get enough done today." The roll-up and roll-out time is costly. Employers could

take advantage of that and ask people to work 12-hour days to maximize profits.

The bill will also create an unfair advantage for job applicants without families. If 100 people come to a job fair, and an application asks if the potential employee can work 12-hour shifts, single or multiple-income parents will have to say no. You cannot work 12 hours and take care of a home or children. Single people without the responsibility of families will be able to say yes readily. As an employer, whom would you hire?

I have worked many construction jobs without mutual agreements. We were told at 2 p.m. on Friday, "Hey, you're working tomorrow!" If you said, "Well, I'm sorry, I have to attend my son's sports event. I can't work tomorrow," you were told, "OK, we're going to bring someone else in—and don't worry about coming in on Monday, either." That is not a mutual agreement; that is being told, "If you want your job, you come on in. And don't worry about your overtime if you want to keep your job." If mutual agreements are not regulated by law, I guarantee they will be violated.

John Sasser (Washoe Legal Services; Legal Aid Center of Southern Nevada):

Many of our clients are in the category mentioned by Senator Spearman: people making very low wages and working part time. They are often women, single mothers and people struggling to raise a family while they work. Senate Bill 193 could create a new norm of 9-, 10- or 11-hour workdays. People, who are now barely making it economically with barely enough hours to devote to their children, will fall into that new norm.

Many employers are consciously deciding not to hire workers for 40 hours a week to avoid paying for their health insurance under the ACA. Now, family providers cannot get full-time jobs, are being paid low wages and the new norm is a 10-hour day. The cost of increased flexibility may be more part-time shifts.

Ron Dreher (Peace Officers Research Association of Nevada; Combined Law Enforcement Associations of Nevada; Washoe School Principals' Association):

The Peace Officers Research Association of Nevada, Combined Law Enforcement Associations of Nevada and Washoe School Principals' Association see S.B. 193 as mixing the concerns of the public and private sectors. The Department of Public Safety, the Department of Corrections and other law

enforcement agencies see the 40-hour workweek as promoting officer safety through flextime. For 31 years, I have negotiated collective bargaining agreements in Nevada. Although S.B. 193 exempts workers under such agreements, we negotiate work hours specifically for officer safety concerns. We have alternative work schedules of 8, 10 or 12 hours. Twelve are the maximum hours allowed.

I have worked major crimes and homicides that require shifts of more than 24 hours. Nevada Highway Patrol (NHP) multi-agency investigative teams or officers covering rural fatal accidents work more than 24 hours. Senate Bill 193 does not address this area. If I work 38 hours on a major crime or a homicide and then work 2 hours the next day, I am done and will be “flexed” for rest of the week. That is not the intent of overtime. Thank God, the 8- or 10-hour workday was established by Henry Ford so workers can be refreshed after proper rest periods.

I started working in Nevada when I was 12, filling sandbags, washing pots, cooking—you name it. I know how overtime has been misused. Union contracts have eliminated that. I have not heard private-sector representatives say today that they have overtime problems. Overtime is a punishment management has for working people too much. Overtime helps management and public safety agencies. By working people more, employers do not have to pay roll-up costs or hire new employees. Mr. Rees’s right to hire more people can eliminate overtime costs; but if he hires more people, he has to pay roll-up costs. What is the tradeoff? Collective bargaining agreements have language encouraging employers to hire more people if there is too much work.

Flextime language would have to be added to S.B. 193 to assuage our concerns about its impact on public safety. Flextime must not be used to avoid paying overtime. Section 1, subsection 2, states, “... an employer shall pay 1 1/2 times an employee’s regular wage rate whenever an employee works more than”- and our contract language says, “the scheduled workday and/or a 40-hour workweek.” That also works for the public sector.

Michael Giurlani (President, Nevada State Law Enforcement Officers’ Association):

I am a retired 25-year NHP trooper. I agree with everything Mr. Ranft and Mr. Dreher said. Public safety officers are subject to call-outs and critical incidents that last way beyond normal working hours. The 2012 Washoe Valley

fire, the 2011 Caughlin Ranch fire and the 2007 Angora fire required extra NHP and Department of Public Safety personnel to evacuate residents and secure safe areas for them. We worked up to 16 hours. We want safeguard provisions in S.B. 193 recognizing there will be compensation for overtime, and that it will not be subject to flextime.

Patrick Sanderson (Laborers' International Union Local 872):

I have been working a wide variety of jobs since I was 10. Nevada is a 24-hour State. Casino employees might work day, swing and graveyard shifts, then go right back to the day shift. In those circumstances, workers do not have lives, and they cannot care for their children. In the old days, marriages lasted longer and mothers stayed home and cared for children. Now, in order to make a living, almost everyone must work. Why? Wages have dropped while expenses have gone up. Overtime is necessary in every field to achieve a working wage. During snowstorms, power company employees might work overtime five straight days.

Employers take advantage of workers. They say, "You will work, and I'm not paying you overtime." When you get your paycheck, you worked 60-plus hours, and it is all straight time. If every boss was good, we would not have these problems. In the old days, contracts were sealed with handshakes. Either the boss treated you right and stuck to his word, or you left. The vote on the 8-hour rule was nonpartisan. Every worker in our unique State had a chance to make a decent living. To destroy that would be horrible for the working men and women of our State.

Senator Spearman:

In answer to Senator Farley's question about fatigue-caused accident statistics from other states, the Transportation Research Board found, "According to the National Transportation Safety Board, human error is a causative factor in approximately 85 percent of all commercial vehicle crashes. The NTSB has documented numerous motor coach accidents that have resulted in fatalities." This issue is not anti-small business. The Committee must be aware that whatever it does, we must address incidents that could happen due to bad actor employers.

Senator Farley:

We have lost sight of whom we are trying to protect. Every other industry besides culinary workers is protected. The bill could hurt the people Ms. Cancela

discussed: those making minimum wage or not enough to support families. Low-wage earners are most at risk.

Bob Ostrovsky (Nevada Resort Association):

The Nevada Resort Association has discussed S.B. 193, but we do not think it impacts our industry much. The 1 1/2-times rule eliminates vast swaths of our employees. Many resort industry job categories are covered by collective bargaining agreements, which are exempt from the bill's provisions. We have the economy of size, with thousands of employees. It is easier for a huge hotel with 5,000 to 6,000 employees to cover shifts without triggering overtime. Managing overtime works to the advantage of employers sometimes.

We understand the bill could affect small businesses. The two issues under discussion are the 8-hour and 24-hour rules. It is easy for employers to make payroll mistakes. I owned a small retail business in Las Vegas with workers scheduled for 9 a.m. to 5 p.m., Monday through Friday. The first hour on Monday triggered the 24-hour clock. For the rest of the week, everything was broken down into 24-hour periods. On Friday, if we had a sale and I asked an employee to come in at 8 a.m., they would agree. When I consequently paid them for 40 hours, I unknowingly violated the law. Their first hour on Friday was technically overtime, which, as a small employer, I did not know.

I was a human resources executive on The Strip for 25 years. I negotiated collective bargaining agreements, and we all knew the rules. Small employers do not always understand the nuances of them. In collective bargaining agreements, the 8-hour rule is negotiated in many ways. Whether it was in catering, in which people are more interested in big tips than working the most hours, or in International Brotherhood of Teamsters' contracts with 2-hour start-time windows, the overtime clock was not triggered. Sometimes, we negotiated things that said, "We will trigger overtime only if we call you back without a 12-hour break."

From a policy standpoint, the Legislature will have to struggle with finding a definition of the overtime clock that fits all job categories. Stagehands have show pay and hourly pay. People would work a show, then go hourly afterwards doing convention work; the show pay was ignored in the overtime calculation.

The resort industry is concerned about the 7-minute grace period rule. In large hotels, hundreds or thousands of employees may be waiting to check out at the same time. Timekeepers must manually insert employees' badges into time clocks; otherwise, people might clock out someone else. We all know that working long hours leads to safety issues.

Senator Manendo:

In the resort industry, I have seen food servers come in to work from 6 to 8 a.m. because that is the busiest breakfast time. Then they leave and come back and work from 11:30 a.m. to 1:30 p.m. for the lunch rush, then work the dinner shift. Are employees allowed to break up shifts over 12 hours to get in a full 8 hours?

Mr. Ostrovsky:

You can work split shifts as long as you do not work more than 8 hours in the 24-hour window, which would trigger overtime.

Senator Manendo:

When I worked in the food service industry, I saw split shifts. I wondered if that has changed. The reason people work split shifts is they need flexibility, and it works well for everyone.

Senator Atkinson:

I agree with Senator Farley that we are talking about minimum wage workers who need overtime to be able to feed their families. Regardless of any study, once the time-and-a-half pay goes away, the people who are now eager to work overtime will no longer be so eager.

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Chair Settlemeyer:

We will close the hearing on S.B. 193. Seeing no more business before the Senate Committee on Commerce, Labor and Energy, we are adjourned at 11:02 a.m.

RESPECTFULLY SUBMITTED:

Patricia Devereux,
Committee Secretary

APPROVED BY:

Senator James A. Settlemeyer, Chair

DATE: _____

EXHIBIT SUMMARY				
Bill	Exhibit		Witness or Agency	Description
	A	1		Agenda
	B	8		Attendance Roster